



VALLEY TELEPHONE CO., INC.

532 BROADWAY AVENUE - P.O. BOX 67 - DES MOINES, NM 88418

March 7, 2014

Marlene H. Dortch
Secretary
Federal Communication Commission
Washington, DC 20554

Re: WC Docket 10-90
Baca Valley Telephone Company, Inc's Letter Expressing Interest In Rural Broadband
Experiments in Rate-of-Return Carrier Service Areas

Baca Valley Telephone Company, Inc. ("Baca") is a rate-of-return incumbent local exchange carrier ("ILEC") and a broadband provider in rural northeastern New Mexico. Baca is filing this letter expressing its interest in participating in the Rural Broadband Experiments in Rate-of-Return carrier service areas to provide robust, scalable high-speed broadband in unserved high-cost areas with additional Connect America Funding.¹ Baca is an Eligible Telecommunications Carriers ("ETC"), having received this designation in New Mexico from the New Mexico Public Regulation Commission.

1. Background

Baca is a voice telecommunications and broadband service provider in northeastern New Mexico. Baca provides voice and broadband service in its regulated service area that is in rural Colfax County. Baca's service area encompasses the cities of Des Moines and Maxwell and surrounding areas. Baca currently has around 550 voice access lines and its offerings for its service area include but are not limited to residential and business voice and broadband services. Baca has DSL facilities that provide broadband speeds capable of up to 4 Mbps downstream and 1 Mbps upstream. About 9% of its DSL customers are provided broadband speeds capable of over 4 Mbps downstream and 1 Mbps upstream. However, some of the DSL and copper facilities are aging which may cause speeds to degrade and will not support higher speeds. Further, Baca still has around 35 rural customers that currently use dial-up modem technology to connect to the internet and these customers are not capable of receiving 3 Mbps downstream and 768 Mbps upstream.

2. The Proposed Geographic Territory

Baca proposes to provide broadband to 35 underserved rural premises within its own rate-of-return study area that currently use dial-up modem technology to connect to the internet by upgrading aged equipment and replacing copper with fiber to the premises ("FTTP") within its regulated service area in Des Moines and Maxwell (census tracts 35007950200, 35007950500,

¹ See *Technology Transitions et al.*, GN Docket No. 13-5 et al., Order, Report and Order and Further Notice of Rulemaking, Proposal for Ongoing Data Initiative, FCC 14-5 (rel. January 31, 2014).

and 35007950700). By upgrading this equipment and replacing copper with FTTP, Baca will be able to provide broadband to its current 35 dial-up modem technology rural customers at speeds capable of 4 Mbps downstream and 1 Mbps upstream and higher. These upgrades will also ultimately impact as many as 300 of Baca's customers, or around 50% of Baca's customers, by allowing Baca to provide them with broadband capable of speeds at 4 Mbps downstream and 1 Mbps upstream and higher.

3. Proposed Technology

Baca will upgrade equipment and utilize fiber optic technology to install FTTP and replace copper facilities to provide broadband at speeds capable of 4 Mbps downstream and 1 Mbps upstream and higher.

4. Type of Services

Baca will provide services to customers in the Broadband Experiment area that will include, but will not be limited to, Voice, 911 Emergency Calling, Long Distance Calling, Operator Services, Information Services, Voice Mail Services, Other Calling Features, Security Services, Broadband Services with speed from 4 Mbps downstream and 1 Mbps upstream to 50 Mbps downstream and 25 Mbps upstream.

5. Price of Services

Baca proposes to offer standalone broadband at the prices of \$49.95, \$59.95, and \$79.95. Baca will also offer its customers several voice and broadband bundled services that will range from \$59.95 to \$149.95.

6. Projected Funding Needs and Length of Funding.

Baca estimates that a Broadband Experiment of this nature would cost an estimated one time amount of \$2,250,000.00 to upgrade equipment and complete construction that will replace copper facilities with FTTP. Baca believes that it would take no more than one year to complete the project. Baca may submit more specifics and updated details of the construction and estimates of the costs with a formal proposal.

7. Summary

Baca has recognized for some time the need to upgrade equipment and replace copper with FTTP in order to provide voice and high speed broadband service to many of its rural customers in its regulated service area. Broadband Experiments such as this one will help to ensure that Baca's rural customers can be provided the same voice and broadband services at affordable prices that individuals residing in more urbanized areas already enjoy.

Baca appreciates the opportunity to submit this non-binding Expression of Interest. Please contact the undersigned with any questions.

Sincerely

A handwritten signature in blue ink, appearing to read "Paul Briesh", written over a horizontal line.

Paul Briesh
General Manager
Baca Valley Telephone Company, Inc.